

STATEMENT OF THE FREEDOM OF INFORMATION COMMISSION IN OPPOSITION TO RAISED BILL NO. 5594

An Act Concerning A Corporate Tax Credit and Income Tax Credit for Donations to Education Foundations

The Freedom of Information ("FOI") Commission opposes this bill because it excludes education foundations, as they are defined in this bill, from the definition of a state or public agency as defined in §1-200 Conn. Gen. Stat., and thereby excludes such organizations from the provisions of the FOI Act.

This bill defines an "educational foundation", in part, as "an organization, fund or any other legal entity which is . . . established for the principal purpose of receiving or using private funds for educational or related purposes that support or improve a local or regional board of education." As such, educational foundations provide enhancement to the public education of Connecticut's children, especially now that so many programs are getting cut due to funding shortages. Arrangements between educational foundations and local and regional boards of education are part of the conduct of the public's business and ought to be subject to public scrutiny under the FOI Act.

Given the increasing number of cases involving questionable expenditures of donated funds and, in some cases, spending abuses, there are very few organizational entities that would not benefit from more transparency afforded by the FOI Act. The FOI Commission believes that an important part of an educational foundation's success in performing its charitable work is tied to its credibility with the public. The public perception of propriety is essential if the people of this state are to trust in the administration of these organizations. Simply put, we believe that public confidence in these entities cannot be achieved if they are shielded from public scrutiny by being excluded from the definition of state or public agency and the provisions of the FOI Act.

While there may be claims that public scrutiny would have a chilling effect on donors who do not want their donations publicly known, that is not a good reason to preclude public scrutiny and accountability, particularly when tax credits are available. There is no evidence of harm to donors, that would result, or to the educational foundations, that would result if such foundations were subject to the FOI Act. Furthermore, the solution for donors who do not want their donation known is for them to make their contribution anonymously.

The FOI Commission believes that the public's interest in access to educational foundations and their administration outweighs any unsupported fears that donations will be curtailed if the foundations were deemed public agencies.

For these reasons the bill, as written, should be defeated.

For further information, contact: Colleen M. Murphy, Executive Director and General Counsel;
Hank Pawlowski, Attorney/Legislative Advisor, 860-566-5682

Public Hearing Testimony Speaker: Colleen M. Murphy

Date: 2/29/08 Bill Number: 5594